



ECONOMIC DEVELOPMENT PLAN UPDATE

Choosing to Compete in the 21st Century
March 2013





Massachusetts is Choosing to Compete

In 2010, the MA Legislature directed Governor Deval Patrick to create an Economic Development plan for the state. This directive resulted in *Choosing to Compete in the 21st Century*. Created by a planning council comprised of 34 public and private figures, the plan builds on Governor Patrick's core strategy of long-term investments in education, innovation, and infrastructure.

In 2012, the plan received the Governor's formal approval, and since then *Choosing to Compete in the 21st Century* has been the central organizing framework for our economic development activities. This comprehensive strategy focuses on five broad categories for action, along with 55 specific action steps. Both public and private stakeholders have aligned their economic development efforts and initiatives toward achieving the action steps detailed in the plan. We have highlighted some of the progress made during the first year of the plan in this newsletter.

Moving Forward

We have a plan in place to continue this work. For a full report on our progress, challenges and next steps, please visit the Choosing to Compete website at **www.mass.gov/compete**.

Education, Innovation and Infrastructure

“We can't be satisfied until every single resident who seeks work can find it. That means we must invest in education, in the innovation industries that are expanding opportunity around the Commonwealth, in the small businesses that are the backbone of our economy, and in the infrastructure that supports it all. We must reduce the costs of doing business here, and make it easier for companies to hire people by removing unwarranted barriers, be they outdated regulations, escalating health insurance premiums, or limits on capital access for small businesses.”

– Governor Deval Patrick,
Second Term Inaugural Address

CATEGORIES FOR ACTION

- Building Talent
- Innovation Economy
- Regional Development
- Ease of Doing Business
- Cost Competitiveness

BUILDING TALENT

Governor Patrick and the Legislature have been working together to implement changes at our community colleges. Governor Patrick hosted the first meeting of the Commonwealth's community college board chairs to discuss the implementation of the Community College Plan. Under this plan, community colleges across the Commonwealth receive \$4 million in grants to support increased skill training and workforce alignment, improved student learning outcomes, and efficiency measures. These grants give campuses additional capacity to promote higher completion rates of degrees and certificates; to be more responsive to the needs of local economies and the state's fastest growing economic sectors; and to adopt a system-wide standard of core course offerings.

Transformation Agenda

Massachusetts' 15 community colleges received a \$20 million, three-year grant from the U.S. Department of Labor to implement the Massachusetts Community Colleges and Workforce Development Transformation Agenda. This innovative venture brings together Massachusetts community colleges with the state's adult basic education and workforce development systems, and industry stakeholders to link accelerated education and training programs to industry needs:

Four Key Priorities

- Accelerate progress for low-skilled, under-employed and un-employed workers
- Improve retention and achievement rates; reduce time to gain industry-recognized credentials, certificates and degrees
- Build programs that meet industry needs, including career development pathways
- Strengthen online and technical enabled learning

Modeled on the "Breaking Through Initiative" for community colleges created by Jobs for the Future and the National Council for Workforce Education, the Transformation Agenda incorporates proven best practices to achieve its priorities:

- Compress course material to accelerate learning
- Contextualize content and customize delivery of foundational and technical education and training to meet individual student needs
- Provide career navigators to connect students with support services in the college and community



"This grant is not about tinkering, it's about transformation. This is not about getting more students to enroll; it's about getting more students to graduation day and into good jobs."

- Arne Duncan, Secretary of Education

INNOVATION ECONOMY

Big Data Initiatives

In November 2012, Governor Patrick and Secretary Greg Bialecki participated in the opening of hack/reduce, a new Cambridge-based Big Data nonprofit group. Established in partnership with the Massachusetts Technology Collaborative, local and global innovation firms, and in collaboration with MIT, Harvard and other local universities, hack/reduce provides access to high-performance computing clusters, petabyte data sets, and training from the best academic and technology leaders in Boston.

In Holyoke, Governor Patrick and Lt. Governor Murray cut the ribbon to officially open the Massachusetts Green High-Performance Computing Center (MGHPCC) in November 2012. In conjunction with five Massachusetts research universities, EMC and Cisco, the MGHPCC provides state-of-the-art computational infrastructure that delivers enhanced data analysis and research. The MGHPCC is a pillar of the state's Big Data Initiative, and the MGHPCC universities have already successfully competed for over \$2 million in federal support for collaborative research.



John Goodhue, Executive Director of MGHPCC, takes Governor Patrick and Lt. Governor Murray on a tour of the facility.

Advanced Manufacturing Collaborative

Governor Patrick and the Legislature have established the Advanced Manufacturing Collaborative and Manufacturing Futures Fund, which is funding AMP It Up!, a new promotional campaign for careers in manufacturing. At a regional meeting of the Advanced Manufacturing Partnership at MIT, Governor Patrick launched the Advanced Manufacturing Collaborative, to garner ideas from business and academic leaders on how to bolster the state's manufacturing sector. The result of this collaboration is a new guide called Building Bridges to Growth: A Roadmap for Advanced Manufacturing in Massachusetts, which offers ideas on using innovation, workforce development, access to capital and technical assistance in manufacturing.



Senate President Therese Murray



House Speaker Robert DeLeo

REGIONAL DEVELOPMENT

Supporting Strategic Growth

In 2012 the Administration announced 26 new MassWorks Infrastructure Program Grants totaling over \$38 million. Through this partnership program, the state works with municipalities to support housing development, road safety, downtown revitalization and economic growth.



Leadership Academies

Mass Development conducted the first five regionally-based economic development academies throughout the state, taking place in Devens, Fall River, Framingham, Lawrence and Northampton.

Public and private participants with a knowledge of economic development focused on effective strategies, techniques and best practices at these well-attended seminars. Data from participant surveys are being incorporated into future academy offerings to enhance this ongoing program.

EASE OF DOING BUSINESS

This category for action employs a multi-prong approach to increase the ease of doing business in Massachusetts. Specifically, the focus is on regulatory reform, realigning business development efforts, and marketing the strengths of doing business in Massachusetts.

Regulatory Reform

In March 2012, Governor Patrick announced the Administration would undertake a thorough review of the state's rules and regulations, to correct regulations that are duplicative, out-of-date or in need of update. In 2012, 446 sets of regulations were reviewed, leading to 286 solutions — which accounts for 64% of regulations reviewed and approximately 14% of total state regulations. Agencies are currently in the third round of review.

Realigning Business Development Efforts

The Office of Performance Management & Oversight (OPMO) measures the performance of all public and quasi-public entities engaged in economic development. All eighteen agencies are required to submit an annual plan aligned with the Commonwealth's economic development strategy. This way, the state can provide a comprehensive, cohesive approach to business development.

The Regional Economic Development Organization Grant program provides a consistent and efficient response to businesses seeking assistance from the Commonwealth. This program represents a partnership with the Massachusetts Office of Business Development to help existing business grow to scale and attract new business to the state.

Marketing Massachusetts

Promoting Massachusetts as a place to live, work, start a business, study and visit is a priority of the Patrick-Murray Administration. The Massachusetts Marketing Partnership (MMP) is working to cross-market Massachusetts across a variety of business, educational, tourism and social platforms.

In 2012, we introduced Innovation Week — an affiliation of eight conferences bringing together thousands of people from around the world focused on the innovation economy and Massachusetts as a global leader. We continue to promote major conventions like PAX East and the BIO International Convention, leveraging our status as a leading host of international scientific, medical and technical conferences. In 2012 Japan Airlines launched a non-stop route between Boston and Tokyo, opening up Asia as an emerging market for Massachusetts.



Secretary Bialecki announces economic development push for businesses to expand in Western Massachusetts at the Affiliated Chambers of Commerce of Greater Springfield's Super 60 Luncheon in Agawam in October, 2012.

Photo Courtesy of The Republican | Don Treeger

COST COMPETITIVENESS

The Health Care Cost Containment Law represents a first-in-the-nation plan for controlling the growth of health care costs, so that an average family sees an estimated savings of \$40,000 on their health care premiums over 15 years. The law will achieve billions of dollars in savings. In addition, the Administration launched the Medicaid Electronic Health Records (EHR) Incentive Payment Program and the Massachusetts Health Information Highway (HIway) — both of which will reduce costs throughout the system and improve care.

Building on the reforms contained in the municipal health care legislation passed in July 2011 and the pension legislation passed in November 2011, the state established a Committee to Study Retiree Health Care and Other Non-Pension Employee Benefits (OPEB). The Commission released its report in January 2013 and recommendations would save as much as \$20 billion for the Commonwealth and municipalities over the next 30 years — creating a benefit system that is both fair and sustainable.

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